

## REMARKS

By the present amendment, claims 36 and 63 have been amended, and new claim 75 has been added. No claims have been cancelled. Accordingly, claims 1 – 75 are presently pending, and favorable reconsideration thereof is respectfully requested.

The Examiner has rejected claims 1 – 74 under 35 U.S.C. 102(e) as being anticipated by Stein et al. (US Patent No. 6,246,996).

The standard for an anticipation rejection under 35 U.S.C. §102 has been well established by the Court of Appeals for the Federal Circuit, and is set forth in M.P.E.P. § 2131, which provides that a claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference. In addition, the identical invention must be shown in as complete detail as is contained in the claim. For a prior art reference to anticipate a claimed invention, every element of the claimed invention must be identically shown in a single reference, and these elements must be arranged as in the claim under review.

Applicant's claim 1 recites:

1. A method of conducting a cardholder transaction, the method comprising:

presenting information stored on a card, in electronic form for review by an adjudicator;

sensing identification of the adjudicator reviewing the information at the time the information is presented; and

authorizing the completion of a transaction in response to receipt of said identification of said adjudicator.

Stein does not disclose or suggest an adjudicator or sensing identification of the adjudicator.

Stein discloses a payment system that can be used by an internet user to make a payment to another internet user for an information product that can be electronically delivered over the internet. Stein discloses that both users must subscribe to or have cardholder accounts with the operator of the payment system. When an information buyer wishes to acquire an information product from an information seller, the seller requests either a card number or a username identifying the buyer's cardholder account with the payment service. Once the seller has sent the information product to the buyer, the seller contacts the payment system by email or via the internet to request a payment from the buyer. The request for payment is received by a front end program that contacts the buyer by email or over the internet to determine whether they wish to authorize payment and if the buyer is willing to allow transfer of the funds then the buyer sends a willingness indication to the front end program. The front end program relays the buyer's willingness to the seller and sends transaction data to a back end program that performs the actual fund transfer from the buyer's account to the seller's account.

The Examiner has associated the front end program or back end program disclosed by Stein in the abstract, figs 1, 3 and 8, col 3, lines 16 – 67 and col 4, lines 1 – 67, with "presenting information stored on a card, in electronic form for review by an adjudicator", as recited in applicant's claim 1. In connection with the applicant's claims, the word "adjudicator" is defined in Webster's Universal College Dictionary as "to settle or determine (an issue or dispute) judicially" or "to sit in judgment; act as a judge". The applicant's use of the term "adjudicator" in the context of the specification as a whole is consistent with the dictionary

definition. The front end program disclosed by Stein provides for communication between users over the internet (col 4, line 60) and has modules that permit users to make a fund transaction, check a subscriber's status or to enrol subscribers (col 4, line 64). None of the modules or functions disclosed by Stein in relation to the front end program perform any type of adjudication. Applicant submits that Stein fails to disclose or suggest a module or provision in the front end program that corresponds to an adjudicator or a "review by an adjudicator", as recited in applicant's claim 1.

The Examiner states that the disclosure of Stein at col 7, lines 15 – 67, col 8, lines 1 – 27, the abstract and figs 1, 3 and 8, discloses "sensing identification of the adjudicator reviewing the information at the time the information is presented", as recited in applicant's claim 1. Applicant has reviewed the passages in Stein indicated by the Examiner and finds no disclosure of an adjudicator or of "sensing identification of an adjudicator". Applicant submits that Stein fails to disclose or suggest "sensing identification of the adjudicator", as recited in applicant's claim 1.

The Examiner further states that the disclosure by Stein that "the front end program 90 asks the buyer 20 whether the buyer 20 wishes to authorize payment for the transaction 132 to the seller 28" (col 7, line 59) corresponds to "authorizing the completion of a transaction in response to receipt of said identification of said adjudicator", as recited in applicant's claim 1. At col 7, line 59 Stein discloses that the buyer's authorization of the payment for the transaction is provided in response to receipt of a message from the front end program and not in response to receipt of identification of an adjudicator. Stein fails to disclose or suggest an adjudicator and also fails to disclose or suggest "receipt of said identification of said adjudicator", as recited in applicant's claim 1.

Applicant submits that Stein fails to disclose or suggest each and every element as set forth in claim 1, either expressly or inherently and therefore the test for

anticipation is not satisfied. Applicant therefore submits that claim 1 is not anticipated under 35 U.S.C. 102(e) and therefore the rejection is improper.

Applicant's claim 2 recites:

2. A method of conducting a cardholder transaction, the method comprising:

authorizing a transaction to proceed in response to receiving an identification of an adjudicator confirming that computer readable information retrieved from a card matches a feature of a bearer of the card while said information is being presented to said adjudicator.

Stein does not disclose or suggest an adjudicator or receiving identification of an adjudicator or matching a feature of a bearer of the card.

The Examiner states that in the disclosure by Stein that "the front end program 90 asks the buyer 20 whether the buyer 20 wishes to authorize payment for the transaction 132 to the seller 28" (col 7, line 59) corresponds to "authorizing a transaction to proceed in response to receiving an identification of an adjudicator confirming that computer readable information retrieved from a card matches a feature of a bearer of the card while said information is being presented to said adjudicator", as recited in claim 1. Stein discloses at col 7, line 59 that the buyer's authorization of the payment for the transaction is provided in response to receipt of a message from the front end program and not "in response to receiving an identification of an adjudicator" as recited in applicant's claim 2. As previously set forth in connection to claim 1, Stein fails to disclose or suggest an adjudicator or "receiving an identification of an adjudicator" as recited in applicant's claim 2.

The Examiner has not specifically indicated where Stein discloses matching “a feature of a bearer of the card”, as recited in applicant's claim 2. The word “feature” is defined in Webster's Universal College Dictionary as “a prominent or conspicuous part or characteristic”. In the context of the specification as a whole the usage of the term by the applicant is consistent with this definition. The applicant has not been able to find any disclosure in Stein regarding features of the users of the payment system and therefore applicant submits that Stein fails to disclose or suggest “confirming that computer readable information retrieved from a card matches a feature of a bearer of the card”, as recited in applicant's claim 2.

Applicant submits that Stein fails to disclose or suggest each and every element as set forth in claim 2, either expressly or inherently and therefore the test for anticipation is not satisfied. Applicant therefore submits that claim 2 is not anticipated under 35 U.S.C. 102(e) and therefore the rejection is improper.

Claims 3 – 32 are dependent on claim 2 and should be allowable due to this dependence and due to the additional subject matter they claim. Applicant therefore submits that the rejection of these claims under 35 USC 102(e) is improper.

Claims 61 and 62 are computer readable medium and signal claims having limitations that generally correspond to claim 2. Applicant submits that claims 61 and 62 are not anticipated under 35 U.S.C. 102(e), for at least the reasons set forth in respect to claim 2, and therefore the rejection of these claims is improper.

Applicant's claim 33 recites:

33. An apparatus for controlling a cardholder transaction, the apparatus comprising:

a card interface for receiving an indication that information stored on a card is being presented to an adjudicator;

an identification interface for receiving an identification of said adjudicator confirming that said information stored on said card matches a feature of a bearer of the card; and

a transaction controller operable to produce a signal indicative of whether or not a transaction should proceed, in response to whether or not said identification of said adjudicator is received while said information is being presented to said adjudicator.

Stein does not disclose or suggest a card interface or an identification interface.

As previously set forth in connection with claims 1 and 2, Stein also fails to disclose an adjudicator, or “receiving an identification of said adjudicator” or “confirming that said information stored on said card matches a feature of a bearer of the card”, as recited in applicant's claim 33.

The Examiner has not specifically indicated a passage in Stein that discloses anything corresponding to a card interface. The word “interface” is defined in Webster's Universal College Dictionary as “something that enables separate and sometimes incompatible elements to coordinate or communicate”. Applicant submits that Stein fails to disclose or suggest “a card interface for receiving an indication that information stored on a card is being presented to an adjudicator”, as recited in applicant's claim 1.

The Examiner has also not specifically indicated a passage in Stein that discloses anything corresponding to an identification interface and therefore applicant submits that Stein fails to disclose or suggest an “identification interface

for receiving an identification of said adjudicator”, as recited in applicant's claim 33.

Furthermore, Stein also fails to disclose a “a transaction controller operable to produce a signal indicative of whether or not a transaction should proceed, in response to whether or not said identification of said adjudicator is received “, as recited in applicant's claim 33. Stein discloses a front end computer (50 in Fig 3) that has a block 91 labeled “transaction” but there is no disclosure or suggestion that the front end computer of the block 91 is responsive to “whether or not said identification of said adjudicator is received “, as recited in applicant's claim 1.

Applicant submits that Stein fails to disclose or suggest each and every element as set forth in claim 33, either expressly or inherently and therefore the test for anticipation is not satisfied. Applicant therefore submits that claim 33 is not anticipated under 35 U.S.C. 102(e) and therefore the rejection is improper.

Claim 36 has been amended to be dependent on claim 35 rather than claim 33, thus providing an antecedent basis for the term “said authorization signal”.

Claims 34 – 60 are dependent on claim 33 and should be allowable due to this dependence and due to the additional subject matter they claim. Applicant therefore submits that the rejection of these claims under 35 USC 102(e) is improper.

Applicant has amended claim 63 to correct missing antecedents for the terms “card” and “adjudicator”. Applicant's amended claim 63 is a means plus function claim including elements that generally correspond to elements recited in claim 33. Applicant submits that claim 63 is not anticipated under 35 U.S.C. 102(e), for at least the reasons set forth in respect to claim 33, and therefore the rejection is improper.

Claims 64 – 73 are dependent on claim 63 and should be allowable due to this dependence and due to the additional subject matter they claim. Applicant therefore submits that the rejection of these claims under 35 USC 102(e) is improper.

Applicant's claim 74 recites:

74. A card transaction apparatus comprising:

an input device for receiving input from a bearer of the card;

a card reader for reading a feature file from said card, said feature file including a representation of a feature of an authorized user of the card;

an annunciator for annunciating said representation of said feature in said feature file, to an adjudicator capable of confirming that the annunciated representation of said feature matches a feature of the bearer of the card;

an identification interface for receiving an identification code from said adjudicator while said representation of said feature is being annunciated; and

a transaction controller operable to cause said input from said bearer of the card received at said input device to be transmitted to a receiver, in response to receipt of an identification code at said identification interface while said representation of said feature is being annunciated.

Stein does not disclose or suggest a card reader for reading a feature file or an annunciator.

The Examiner has not specifically indicated a passage in Stein that discloses anything that corresponds to a card reader, a feature file or an annunciator and therefore the applicant submits that Stein fails to disclose or suggest anything that corresponds to "an annunciator for annunciating said representation of said feature in said feature file", as recited in applicant's claim 74.

Furthermore, as previously set forth in connection with claims 1 and 2, Stein also fails to disclose or suggest an adjudicator or matching a feature of an authorized user of the card.

Applicant submits that Stein fails to disclose or suggest each and every element as set forth in claim 74, either expressly or inherently and therefore the test for anticipation is not satisfied. Applicant therefore submits that claim 74 is not anticipated under 35 U.S.C. 102(e) and therefore the rejection is improper.

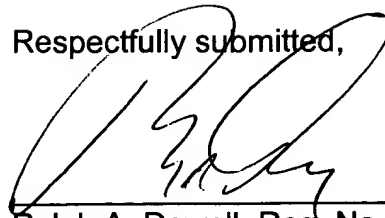
Applicant has added new claim 75 to further define the subject matter the applicant regards as the invention.

Applicant respectfully requests further favorable consideration of the application.

Applicant herewith petitions for an automatic extension of time for three months, from December 30, 2004 to March 30, 2005, for responding to the outstanding Office Action dated September 30, 2004.

A check in the amount of \$510.00 is attached for the extension fee at small entity level pursuant to 37 C.F.R. Section 1.17(a).

Respectfully submitted,



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Encl.: Check in payment of extension fee